

Hiscox London Market
22 Bishopsgate
London, EC2N 4BQ

26 February 2024

Dear Kate Markham,



Open letter: Hiscox policy on fossil fuels

As representatives of UK faith organisations, we are writing to you to ask Hiscox to accelerate its action on climate change in response to the escalating threat we all face.

Last year, 24 UK faith representatives wrote to Lloyd's of London asking them to improve their climate commitments. In light of the absence of a response, and the upcoming Insure Our Future Global Week of Action, we are writing to you as a company with syndicates in Lloyd's to ask that you take action where Lloyd's has not.

Catastrophic climate impacts are now a reality for communities around the world. Three years ago, the International Energy Agency (IEA) reported that under a 1.5 degree scenario, there can be no new coal, oil or gas development. Following this, last year, the Intergovernmental Panel on Climate Change warned that "[t]here is a rapidly closing window of opportunity to secure a liveable and sustainable future for all." The decisions we make now will echo for many hundreds of years.

Those who offer financial backing and social legitimacy to new fossil fuel projects now have an urgent moral responsibility to change course. This duty extends to all sectors and all parts of society. The insurance industry has significant influence on the global economy, and you can put our whole world on a safer trajectory by showing leadership now.

2023 was the hottest year on record. Wildfires, extreme heat and storms have been constant, destroying people's health and livelihoods. Deaths from natural disasters in 2023 rose to 74,000, far above the average of 10,000 over the past five years. We all want a safe, healthy planet for our families, our communities, and future generations. The renewable energy sector is growing and represents an important opportunity for the insurance industry to play its role in building a safe, healthy planet. There is no longer any possible moral justification for continuing to support and enable fossil fuel expansion when the evidence of its catastrophic impacts is so clear.

In our faith communities, we are doing our best to live up to our own responsibilities, by drawing on the wisdom of our faith traditions to make the case for climate action, supporting practical projects to cut emissions, and showing solidarity with our sisters and brothers around the world who are bearing the brunt of the climate crisis. Many of the institutions we represent have divested our own assets from fossil fuels. Hiscox has power and influence of a different kind. As one of the biggest managing agents in the Lloyd's market, Hiscox has a unique significant and global role to play, either choosing to support fossil fuel projects and climate destruction or to support a speedy transition to renewables.

Although Hiscox is aligned with Lloyds' policy on coal and unconventional fossil fuels, it does not have exclusion policies on conventional oil and gas. Other major (re)insurers including Allianz, Swiss Re and Munich Re have recently announced they will no longer provide coverage for new oil and gas. We encourage you to follow their example and:

- commit to ending insurance for all new fossil fuel projects, in line with the recommendations of the Intergovernmental Panel on Climate Change, the IEA, and the UN Secretary-General
- commit specifically to not providing (re)insurance for the East African Crude Oil Pipeline
- announce a timeline for phasing out existing fossil fuel insurance which is in line with the remaining carbon budget for 1.5 degrees.

We hope these issues will be considered at your forthcoming AGM. We would welcome a response from you and would be pleased to meet to discuss this further.

Yours sincerely,

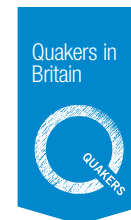
Paul Parker

Recording Clerk
Quakers in Britain

and gathered UK faith representatives

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Additional signatories



Avnish Thakrar

National Coordinator, Hindu Climate Action

Deborah Tomkins

Co-Chair, Green Christian

Elizabeth Slade

Chief Officer, General Assembly of Unitarian and Free Christian Churches

Canon Giles Goddard

Chair, Faith for the Climate

Jamie Cresswell

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Buddhists Across Traditions

Shantigarbha

Coordinator of the Triratna Earth Sangha